

**Statement in Favor of HB-728**  
**by**  
**Glenn M. Dobbs**  
**President and Chief Executive Officer**  
**Mines Management, Inc.**

Mr. Chairman, Distinguished Members of the Committee:

Mines Management Incorporated initiated the re-permitting of the Montanore mining project in northwestern Montana in December, 2004. The project was previously fully permitted by Noranda Minerals in 1993. Mines Management seeks to re-permit the project in essentially the identical format and footprint that Noranda planned and permitted. To provide some idea as to the scope of the project, capital expenditure on the project will be in excess of \$400 million dollars, with another \$160 million in sustaining capital over the life of the mine. Montanore will employ upwards of 500 people during construction and 250 on a permanent basis during the mine's projected 16-20 year mine life. It will generate in direct and indirect taxes to the State and local taxing districts more than \$200 million in tax revenues.

Our company experienced a major, and unnecessary, delay in the EIS process between September 2005 and the end of December that same year. The four month delay resulted in a rescheduling of the permitting time line which set back permitting of the project by approximately one year.

Permitting process includes several windows within which certain mile posts must be met, including hearing windows and public comment windows. A delay of 4 months rearranges those windows so that comment period deadlines can push further work or action on the permitting process out of one window into another, compounding the delay.

It is our belief that had appropriate staffing been in place, such delays in the permitting process could have been avoided, and tax revenues to the State commenced much earlier than is now likely.

Properly implemented, by bringing into the permitting process knowledgeable, skilled contractors who are empowered by the Director to expedite movement of information between divisions, improve communication, set meetings timely, provide project coordination and move between departments within the agency, can be a significant step toward improving the overall project permitting process.

We believe that HB-728 is a first step toward resolving some of these issues and urge your support of HB-728.

Thank you.